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Thailand

Oilseeds and Products

A Minor Change in the Thai Soybean Import Policy for 2004

2003

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Report Highlights:

The Royal Thai Government (RTG) is continuing to administer the same rules for allocating the tariff-rate-quota for imported soybeans for 2004 as those of recent years, except for the new condition that eligible importers need to cooperate with the RTG in buying soybeans from the neighboring most-favored-nation (MFN) countries.

Includes PSD Changes: No
Includes Trade Matrix: No
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The Thai Cabinet agreed in late September 2003, under the tariff-rate-quota (TRQ) system as committed to in the WTO, to determine an unlimited amount of in-quota imports of soybeans in 2004. These in-quota imports will be subject to a zero tariff (while the out-of-quota imports fall into the 80 percent tariff rate). These criteria remain the same as those that have been applied since 1996.

The groups of eligible importers are also the same as those in 2003, including the Soybean and Rice Bran Oil Processor Association, Thai Feed Mill Association, Thai Livestock Association, Broiler Raisers for Exporting Association, The Feedstuff Users Promotion Association, Thai Broiler Processing Exporters Association, Thai Theparot Food Products Public Company, Greenspot (Thailand) Co., Ltd., Lactasoy Co., Ltd., Dairy Plus Co., Ltd., Sermsook YHS Beverage Co., Ltd., Korat Jee Sae Co., Ltd., and Thai Sim Co., Ltd.

The condition that all eligible importers must purchase domestic soybeans at determined prices is also unchanged from the previous years. Eligible importers are divided into three groups: soybean oil crushers, feed manufacturers, and food processors. Soybean oil crushers are required to buy domestic soybeans at factory for no less than 11 baht/kg (or 10 baht/kg at farm), while feed manufacturers and food processors must buy at factory for no less than 11.50 baht/kg (or 10.50 baht/kg at farm) and 13.50 baht/kg. (or 12.50 at farm), respectively.

However, the RTG added one new condition that the importers must cooperate with the government in buying soybeans from the neighboring most-favored-nation neighboring countries (i.e., Laos, Burma, and Cambodia), in the case that the Thai government enters into an agreement to purchase agricultural products from these particular countries.

End of Report.